

APPENDIX A: TRACEABILITY MATRIX

PROBLEM	OBJECTIVE	FUNCTIONAL REQUIREMENT
Inability to Align Spending Authority with Spending Plans:		
<p>1. Headquarters Budget Analysts spend 7,063 hours annually preparing Initial Allotments and adjusting the Allotments for changes in spending plans related to May Revisions, Executive Orders and Budget Revisions.</p> <p>Spending and funding plan data is manually entered multiple times into stand-alone spreadsheets resulting in repetitive data entry and increases the possibility of data entry errors. Budget Changes may not reconcile at each budget change process because of the need to manually validate budget information. Additionally, budget history and backups are performed on disparate computers.</p>	<p>Reduce the time spent preparing Initial Allotments and adjusting Allotments by 30%.</p>	<p>The solution must provide the capability to readily access specific budget allotments from a central database, track allotment changes and flag any variance that prevents automatic reconciliation.</p>
<p>2. Headquarters Budget Analysts spend 2,000 overtime hours annually, manually tracking funds requested through the budget change process, not yet received or received and not yet reflected in CalSTARS.</p> <p>This process is currently done manually which provides no continuity of data for all requests made. Funding is allotted to the various Divisions and Institutions that is not reflected in the automated CalSTARS because it has not yet been allocated through cost distribution. The Department needs to track funds to ensure they are received and to determine the</p>	<p>Reduce the amount of overtime expended in manual tracking of spending authority required on a monthly basis by Headquarters Budget staff by 50%.</p> <p>Reduce the amount of time spent by program staff to identify the impact of outstanding funds on potential shortfalls from 11 days to 45 minutes per month.</p>	<p>The solution must have the capability to identify and track funding and revisions to funding from multiple funding sources.</p> <p>The solution must track the impact of outstanding funds by program and line item on a local and statewide level.</p>

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impact of the outstanding funds by program and line item available at the local and statewide levels.		
Untimely and Inaccurate Data:		
<p>3. The Personnel Offices in the Institutions spent an estimated 11,000 hours during FY 2000/2001 manually retrieving and preparing custody position, vacancy, and salary information required for budgetary reports.</p> <p>The Department lacks a central repository for data required for budgetary reports. Each Personnel Office must manually retrieve and prepare data, which results in inaccuracies in Personal Service estimates. Approximately 80% of the Department's \$4.8 billion budget is labor. These inaccuracies impact the Department's ability to clearly identify a potential deficit and be proactive in managing its budget effectively.</p>	Reduce the number of errors in preparing various fiscal and payroll reports.	The solution must be able to provide a central repository of fiscal information to enable easy access of data for reports in a variety of formats.
<p>4. The untimeliness of fiscal data adds to the Department's inability to mitigate fiscal exposure. Personnel expenditure data, which drives 80% of the Department's budget, is up to 90 days in arrears.</p> <p>Management must estimate labor expenses until Overtime and Temporary Help costs are posted in CalSTARS. For example, Overtime and Temporary Help worked in February, is paid in</p>	Reduce the lag time to retrieve information needed for budgetary projections from up to 90 days to five days.	The solution must be able to provide a central repository of fiscal information: i.e., salary and wages, overtime, temporary help, on a "real time" basis, to enable easy access of data for reports in a variety of formats.

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March, and posted in CalSTARS in April. Even when CalSTARS is used as a base, data from several systems (WOTS, Excel spreadsheets) may be combined to provide current expenditures that may still not provide accurate labor expenses.		
<p>5. Approximately 4,400 hours are worked on a monthly basis by the eight RAO's, matching the Purchase Order (PO), Stock Received Report (SRR) and the invoice. The eight RAO's process an estimated 22,000 invoices per month.</p> <p>An SRR is generated when an item is received in a CDC warehouse. The SRR is then sent to the RAO. When the RAO receives an invoice it must be manually "matched up" to its appropriate counterpart to provide the information needed for processing. After the package is assembled, each document is audited to ensure that the information is complete.</p>	<p>Reduce Staff time necessary to reconcile the PO, SRR, and the invoice by 35%.</p> <p>Implement a paperless procurement process that reduces by 20% the time it takes to complete the processing of an invoice.</p> <p>Reduce the amount of time manually keying vendor file and personnel data into CalSTARS by 25%.</p> <p>Reduce the amount of time required to update claim schedule information by automating the upload process to CalSTARS by 50%.</p> <p>Reduce the amount of time needed to key billing logs associated with short pays into Cal STARS by automating the process, reducing the amount of time it takes by 50%.</p> <p>Reduce the amount of time needed to process electronic claim schedules.</p>	<p>The solution must have the capability to track and close POs and contracts for goods and services from initiation to receipt from vendors.</p> <p>The solution must provide an integrated system to allow the paperless processing of purchasing documents.</p>
<p>6. Assessment of late payment penalty fees is estimated to be \$561,226 for FY 2001/2002.</p>	<p>Eliminate the paper processing of purchase orders thereby reducing the amount of late payment penalties by \$561,226.</p>	<p>The solution must have the capability to track and flag payment due dates and vendor defined payment terms.</p>

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Payment for some services such as utilities, require the invoices to be sent by courier to the Institution for approval and returned for payment to the RAO. This process can result in payment timeframes not being met and penalties assessed. Delays resulting from the time consuming (manual) process of matching the PO, SRR, and the Invoice by the RAO may result in delays in meeting vendor payment terms. These delays can also result in late payment penalties.		The solution must have the capability to provide paperless purchasing process.
<p>7. The Department is unable to respond to requests made by outside entities, such as those noted in the Bureau of State Audits (BSA) report dated January 2002, requesting detailed fiscal reports or quarterly reports that delineate detailed Personnel Services funding appropriations and expenditures by custody and non-custody staff.</p> <p>The CDC staff is unable to provide this information because the process to collect and summarize this report is cumbersome and would have to be completed manually. The summary expenditure report format prescribed by the auditors is not readily distinguished in the current CalSTARS accounting reporting structure.</p>	Improve the processes that collect, store and retrieve fiscal data to allow the Department to respond to requests to prepare expenditure reports to meet the mandated legislative reporting requirements they are currently unable to prepare (new workload).	<p>The solution must provide a central repository of fiscal information to enable easy access of data for reports in a variety of formats.</p> <p>The solution must have the capability to report on budget or expenditure information spanning multiple fiscal years.</p>
Inability to Manage Positions:		
8. The Department is projected to spend approximately \$58.5 million in Permanent	Increase the availability and accuracy of the costs associated with posted positions to provide	The solution must have the capability to schedule, track, and modify post assignments

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<p>Intermittent Employee (PIE) Custodial coverage and \$87.7 million in Custodial overtime for the FY 2001/2002 in coverage costs.</p> <p>To aid in the efficient use of post assignment and relief positions, WOTS is used by institution staff. It does not provide “real time” salary data or a total picture of labor expenses. The WOTS does not provide a means to project actual overtime and temporary help costs or identify the drivers of the costs. The information received may be days old, utilizing an average institutional salary, which does not portray an accurate fiscal picture of the costs necessary to provide custodial coverage.</p>	<p>information necessary to substantiate budgetary expenditures.</p> <p>Reduce the amount of Custody overtime by 5%.</p> <p>Enable the CDC management to identify reasons for positions cost drivers and formulate corrective action plans.</p>	<p>requiring 24/7 coverage, including actual cost of coverage by tracking originating vacancy.</p> <p>The solution must have the ability to provide a roster of available PIE employees.</p> <p>The solution must provide the capability to track resources available to backfill posts and send a notification when a more cost effective resource is available.</p> <p>The solution must have the ability to identify posts that are covered by overtime/PIE 14 consecutive days or more.</p>
<p>9. Tracking positions to their origins is difficult, if not impossible, when mission changes or programmatic changes occur. The manual, cumbersome research to determine origin may take five days or more. These strategic and operational changes impact the institution’s budget, which have an overall adverse effect on the Department’s fiscal picture.</p> <p>When deactivations occur, positions originally received in the staffing package cannot be readily identified due to reclassifications and/or redirections. Staff must manually track the evolution of a position.</p>	<p>Reduce the amount of time required to identify position origins for activations and deactivations from five days or more to one day.</p>	<p>The solution must have the capability to establish and track changes to a position over multiple years.</p>

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<p>10. The Department lost 53 permanent positions in FY 2000/2001 due to the positions being vacant for six months or more per Government Code 12439.</p> <p>The CDC lacks a system, which tracks position vacancies. Vacancy tracking must be done manually, which results in errors and increases the risk of losing a vacant position that could secure a post.</p>	<p>Reduce the number of positions lost through Government Code 12439 by 90% by Fiscal Year.</p>	<p>The solution must have the capability to identify vacant positions and flag dates, based on identified parameters, to prevent loss.</p>
Program Funding:		
<p>11. The Department lacks an integrated process and system to capture program costs, “per bed” costs, and services related to a program. Labor intensive, manual research requires up to five days to recover sufficient data to “estimate” costs.</p> <p>In the absence of timely fiscal data, institution staff are not able to accurately project their annual expenditures, nor is the Department able to capture the drivers of the expenditures to the level needed to respond to BSA audit findings or to provide information needed to more accurately project program costs.</p>	<p>Improve management decision-making and planning by collecting and integrating statewide expenditures that will enable Management to determine the cost of maintaining a bed at CDC facilities based upon the facility mission, location, and security level.</p> <p>Integrate the processes that collect and store detailed information related to the cost of a specific program or event to improve the capability to project funding, deficiencies, and program needs by reducing the time spent manually tracking costs of new and existing programs from up to five days to four hours.</p>	<p>The solution must have the capability to track expenditures at the program component and detail level.</p> <p>The solution must have the capability to identify expenditures based on different parameters such as project or location.</p>
<p>12. Headquarters Budget Analysts spend 2,000 hours annually, attempting to track the budgetary history of programs.</p>	<p>Reduce the time required to research information by 10%.</p>	<p>The solution must provide the capability to readily access and easily extract information needed to satisfy ad hoc query requests. Query by multiple fields is</p>

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Headquarters Budget Analysts are often asked to provide history and research for Budget Concept Statements (BCS) and BCPs. There is no central data source or consistent coding by program or function.		required.
Fiscal Audit and Control:		
13. The Department is unable to ensure that adherence to MOUs, and Departmental policy and procedures are being followed. The lack of an integrated system does not provide “real time” information or standardization and integration of Personnel, Procurement, and Facilities Management to ensure the Department and State policies and procedures are being followed as reflected in the BSA report and other internal/external audits.	Reduce the number of unapproved expenditures or personnel transactions that are not in compliance with MOU’s, State and Departmental policy and procedures by implementing a statewide, integrated system that will store business rules that control fiscal and personnel transactions. Reduce the amount of unidentified phone charges by 25% standardizing the procurement of phone lines which is estimated by Business Services at \$500,000.	The solution must have the capability to store employee benefit rules based on MOU for 18 bargaining units. The solution must have the capability to store and apply State and Departmental policy and procedures.
14. Headquarters Budget Analysts spend 2,856 hours annually, extracting, transferring, and manually entering data into summary spreadsheets. Input data is manually entered multiple times resulting in repetitive data entry and data entry errors. Data is not consolidated in one place. Each analyst must also continuously update records for each institution or program on disparate computers and produce reports as requested.	Eliminate 100% of the manual data entry for “Recaps” and “Annotated 2” documents.	The solution must provide the capability to issue reports for “Recap” and “Annotated 2” documents, generated by a single automated system that is equivalent to the current documents. Reports need to be generated by anyone with authority to query or print reports.
15. Headquarters Budget Analysts spend 549 hours	Reduce data entry for temporary help and overtime worksheets by	The solution must provide the capability to enter data once and

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<p>annually, manually entering temporary help and overtime data in Schedule 7A worksheets.</p> <p>Input data is manually entered multiple times resulting in repetitive data entry and data entry errors.</p>	100%.	easily extract the information needed to perform 7A reconciliations and to extract data needed for ad hoc queries.
Litigation Management:		
<p>16. The Department cannot track total litigation costs.</p> <p>Approximately \$12.5 million in contract counsel costs and \$8.8 million in settlements and judgement costs are estimated for FY 2001/2002. <i>“Although the Department has made progress recently in developing and implementing strategies designed to reduce the occurrence and consequences of costly legal action against the Department, it has not fully implemented its plan. Until the department fully executes all its cost cutting strategies, it will not be able to control legal claims and costs as effectively as possible.” (BSA Report, January 2000).</i></p> <p>Providing a system to capture all information, including staff costs and other departmental costs by case, will assist management in identifying opportunities to reduce the incidence and costs of litigation and/or to manage the cyclical flows of costs to more closely match budgetary authority.</p>	<p>Improve the ability to identify the total cost to provide litigation services to the CDC field offices, institutions and headquarters by integrating litigation casework cost information by CDC facility.</p> <p>Reduce the potential exposure to litigation costs by improving the timeliness and quality of the information pertaining to CDC casework department-wide.</p>	<p>The solution must provide the capability to collect, track, and report the resources associated with the resolution of CDC litigation.</p> <p>The solution must provide the capability to interface with ProLaw to collect litigation cost information based on cost identifiers (institution, program, function).</p>
Workers' Compensation Case Management:		
<p>17. The CDC is unable to identify specific cost drivers</p>	<p>Improve the processes to track and report on Workers'</p>	<p>The solution must provide the capability to track the reason and</p>

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<p>of an estimated \$144 million for the FY 2001/2002 on Workers' Compensation Claims.</p> <p>Currently, the CDC must wait on the State Compensation Insurance Fund (SCIF) to provide Workers' Compensation data. The SCIF may not provide all the data necessary to allow management to be proactive in developing a strategy to mitigate costs.</p>	<p>Compensation cases to identify cost drivers and the impact of legislation on the Department's budget relative to Workers' Compensation. This will enable the CDC management to develop a plan to mitigate exposure to Workers' Compensation claims within one year of implementation.</p>	<p>cost for Workers' Compensation cases for trend analysis and management reporting.</p> <p>The solution must provide the capability to identify cost by facility, unit and/or program.</p>
Workload Management:		
<p>18. The RAOs processed, on a monthly basis, an estimated 74,417 overtime meal tickets (37,208 hours of staff time) for the FY 2000/2001.</p> <p>Labor-intensive manual processes done on a daily basis result in staff job dissatisfaction and staff burnout. Loss of staff knowledgeable in accounting procedures and historical departmental processes, results in inaccurate completion of claim schedules and other documentation, compounding the Department's ability to maintain an accurate fiscal picture.</p>	<p>Eliminate the need for paper overtime meal tickets processed for cash reimbursement, reducing the amount of time it takes to process overtime meal tickets by 50%.</p>	<p>The solution must provide the capability to calculate overtime and generate a meal expense voucher based on 18 different MOU guidelines.</p>
<p>19. The FSD experienced an unacceptable 95% staff turnover in a two-year period.</p> <p>The labor intensive, manual processes that are required by the FSD result in staff job dissatisfaction. Loss of staff knowledgeable in budget procedures and historical departmental processes results in</p>	<p>Reduce the amount of staff turnover by 25% due to time consuming, labor intensive manual processes.</p>	<p>The solution must provide a central repository of fiscal information to enable easy access of historical data for reports in a variety of formats.</p>

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inaccurate completion of budgetary data compounding the Department's ability to maintain an accurate fiscal picture.		
<p>20. Institutional Personnel Offices spent an estimated 11,000 hours in FY 2000/2001 manually researching data necessary for budgetary reports.</p> <p>Departmental staff are frequently taken away from their jobs to respond to internal/external information requests. Much of the financial data needed in response to required audits (five major audits in the last year) is gathered manually which is very time consuming, negatively impacts the staff moral and results in workload backlog.</p>	<p>Reduce the number of hours Personnel Services utilizes to research, prepare, and reconcile various fiscal and payroll reports by 75%.</p> <p>Reduce the number of overtime hours spent on work backlog by 75%.</p>	<p>The solution must provide a central repository of fiscal information to enable easy access of data for reports in a variety of formats.</p> <p>The solution must provide the capability to track and report on Personnel expenditures such as salary, overtime, temporary help and benefits on a "real time" basis.</p>